



Advocates for Rural Broadband

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Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**RE: *Connect America Fund*, WC Docket No. 10-90
Universal Service Contribution Methodology, WC Docket No. 06-122**

Dear Ms. Dortch:

On Thursday, June 27, 2019, Jason Hendricks of the Range Telephone companies (Montana and Wyoming); Matt Johnson of Shawnee Communications (Illinois), Geoff Feiss of the Montana Telephone Association, and Eric Keber and the undersigned representing WTA – Advocates for Rural Broadband (“WTA”) met with Jamie Susskind, Chief of Staff to Commissioner Brendan Carr, to discuss Alternative Connect America Cost Model (“ACAM”) II location issues and build-out requirements, performance testing requirements for rural telecommunications companies (“Rural LECs”), broadband mapping, and the proposed overall Universal Service Fund (“USF”) cap.

WTA and its members are very grateful for the opportunity to review and potentially elect a second round of ACAM offers (ACAM II). One concern that has come to light is that the number of locations required to be served as a condition of receiving ACAM II support appear in a substantial number of cases to be significantly in excess of the actual number of locations on the ground. One WTA member that serves a Reservation expressed concern regarding whether it will need to comply with a specific build-out obligation with respect to the Tribal Lands in its service area, or whether it will be subject solely to an aggregate build-out obligation for its entire statewide service area. This is a critical issue with respect to its ACAM II decision because right-of-way, terrain, and environmental considerations render it extremely unlikely that it would be able to meet a Tribal-specific build-out obligation.

WTA and its members stressed that they do not oppose requirements for testing of their networks to ensure that their high-cost support is being used for the required purposes. However, as detailed in WTA’s September 19, 2018 Application for Review and several subsequent *ex parte* letters (see, e.g., WTA letters in WC Docket No. 10-90, dated April 17, 2019; May 6, 2019; and May 9, 2019), there remain a substantial number of issues and questions regarding the design and implementation of the ultimate performance testing regime for Rural LECs.

In particular, the WTA members wanted to clarify that the testing software solutions being developed by various vendors are not likely to be as easy and inexpensive to implement as sources indicate that the Commission is being told. First, even if the software being developed works perfectly from the start, it will not work with many of the older optical network terminals (“ONTs”), modems and other customer premises equipment (“CPE”) that are currently in use. In many instances, Rural LECs will need to purchase new equipment compatible with the testing software, and install such equipment at the premises of the customer locations being tested. In other instances,

the problem is more complicated because the customers themselves own the equipment that interfaces with the testing software, and will need to agree to allow their equipment to be modified or replaced. And where customer-owned equipment must be replaced, Rural LECs will have to get customers to agree to buy new equipment (even if their existing equipment is still working well), or will be forced to furnish new testing-compatible equipment at their own expense. The WTA members estimated that such customer equipment costs could range from \$150-\$200 to \$500 per customer, depending upon the modem, gateway, or ONT replacement that was needed.

The WTA members pointed out from long experience that software rarely works perfectly at the time of its initial release and that software-hardware configurations generally function somewhat differently in the field than in the laboratory. Hence, when vendors are able to complete their development and release their testing products to the market, Rural LECs are going to need substantial time to do advance testing, and to locate and adjust for bugs and other problems. This process is further complicated by potential supply chain issues as 500-to-1,000 or so high-cost support recipients are going to need to obtain testing software and compatible hardware at approximately the same time.

WTA has also expressed concerns about the current requirements for the testing route to extend far beyond the broadband networks which Rural LECs build, operate and control into customer premises on one end and over one or more middle mile networks to distant Internet Exchange Points ("IXPs") on the other. One WTA member that has been testing broadband speeds to its two closest IXPs has found that its test speed results differ not only between the two IXPs, but also between different servers at the same IXP. Whereas WTA has previously been concerned that congestion and routing changes on middle mile facilities that are outside the control of Rural LECs can adversely impact their test results, it is wholly disconcerting that the mere chance of which server at an IXP gets a test packet can also affect test results. WTA reiterates that it is wholly unreasonable and inequitable for Rural LECs to lose critically needed high cost support due to testing failures caused by problems and circumstances that occur outside their networks and over which they have no control.

WTA opposes an overall cap on the High Cost, Schools & Libraries, Rural Health Care and Lifeline programs. All four programs serve different functions, and can be most reasonably, sufficiently and predictably administered via their existing separate budgets.

Pursuant to Section 1.1206(b) of the Commission's Rules, this submission is being filed for inclusion in the public record of the referenced proceeding.

Respectfully submitted,

/s/ Bill Durdach
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